



PSC NEWS

Missouri Public Service Commission

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PSC APPROVES AGREEMENT IN LACLEDE GAS COMPANY INFRASTRUCTURE SURCHARGE REQUEST CASE

Jefferson City (June 7, 2004)---The Missouri Public Service Commission has approved an agreement which authorizes Laclede Gas Company to place an infrastructure system replacement surcharge (ISRS) on the natural gas bills of its customers.

Under legislation enacted in 2003 (HB 208), natural gas companies under PSC jurisdiction can petition the Commission to establish an infrastructure system replacement surcharge. This surcharge would allow Laclede Gas Company to recover costs for infrastructure system replacements and relocations that are eligible for ISRS recognition under state law. Under the law, the Commission must act on a request for an ISRS within 120 days of the Company's filing. When a filing is made, the Commission must determine if the request for the surcharge complies with the law. If the request complies with the law, the surcharge is allowed to take effect.

The agreement approved by the Commission was submitted by the PSC Staff and Laclede Gas Company. The agreement states that other parties to the case were provided a copy of the agreement and had no objections.

According to the agreement, Laclede Gas Company will be authorized to implement an ISRS designed to recover approximately \$3.56 million a year. As a result, there will be a surcharge of 45 cents a month for residential customers of Laclede Gas Company.

The Commission's order approving the agreement states: "The Commission has considered the stipulation and agreement, the pleadings and the prefiled testimony. The Commission finds that the agreement is a reasonable resolution of the issues raised, and will approve it."

As part of its filing, Laclede stated it intends to provide a bill insert or bill message notifying customers of the ISRS charge with the initial bills containing the ISRS. Thereafter, Laclede intends to provide customers with informational bill inserts once a year in which Laclede will explain the ISRS and what it is designed to recover.

Laclede Gas Company serves approximately 636,215 natural gas customers in the City of St. Louis as well as the Missouri counties of St. Louis, St. Charles, Butler, Iron, Franklin, Jefferson, Madison, St. Francois and Ste. Genevieve.

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